



**Statement from Superintendent Dr. Michael McFarland
regarding business email compromise scheme**

December 18, 2018

Dear Crowley ISD Community,

Crowley ISD was recently the target of a business email compromise scheme and is pleased that an arrest has been made in the case and wire fraud charges have been filed against a Florida man.

On November 20, the district learned that funds intended as payments to vendor Steele & Freeman, Inc., a construction company for the district, were electronically transferred via ACH (Automatic Clearing House) to a fraudulent account instead of Steele & Freeman's account. The suspect, who has no connections to Crowley ISD or Steele & Freeman, is accused of posing as an employee of the construction company and asking the district to wire nearly \$2 million in payments that were due to the fraudulent account.

Upon discovering this fraud, the district immediately contacted authorities, including the FBI, and began an internal review. Unfortunately, business email compromise schemes like this have become common with other organizations and school districts targeted.

Due to the ongoing investigation, we are not able to provide additional details at this time. I want to assure our community that Crowley ISD remains financially strong and is working to prevent future fraud schemes by reviewing our systems and putting additional safeguards in place.

We want to thank the investigators who have worked diligently to track down the suspect behind this fraud. We will continue to work closely with authorities to bring the suspect to justice and recover the stolen funds.

You can read more about the arrest in this case and the ongoing investigation in the [Fort Worth Star-Telegram](#).

Sincerely,

Mike McFarland
Superintendent
Crowley ISD